UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Market-Dominant Price Change   Docket No. R2021-2

CHAIRMAN'S INFORMATION REQUEST NO. 6

(Issued June 15, 2021)

To clarify the basis of information provided by the Postal Service in its Notice of Market Dominant Price Change, filed May 28, 2021,[1] the Postal Service is requested to provide written responses to the following questions. Answers should be provided to the individual questions as soon as they are developed, but no later than June 22, 2021.

Periodicals

1.   39 U.S.C. § 3626(a)(5) states that "[t]he rates for any advertising under former section 4358(f) of this title shall be equal to 75 percent of the rates for advertising contained in the most closely corresponding regular-rate category of mail." Former § 4358(f) of title 39 refers to the advertising pound prices for Zones 1 and 2 for Science of Agriculture Periodicals. However, in the Notice, the Postal Service states that "[a]dvertising pound prices for Zones 1 & 2 are 54 percent of the rates applicable to regular Outside County Periodicals." Notice at 34. This is also inconsistent with past recent rate proceedings, where the Postal Service consistently set Zone 1 and 2 prices for advertising pounds for Science of Agriculture Periodicals at 75 percent of the rates applicable to regular Outside

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[1] United States Postal Service Notice of Market-Dominant Price Change, May 28, 2021 (Notice).

County Periodicals.[2]

> a.   Please confirm that 39 U.S.C. § 3626(a)(5) requires that advertising pound prices for Zones 1 and 2 for Science of Agriculture Periodicals be set at 75 percent of the rates applicable to regular Outside County Periodicals.
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> b.   If part a. is confirmed, please provide revised rates, including any changes needed to be made to Attachment A to the Notice and Library Reference USPS-LR-R2021-2/3, consistent with 39 U.S.C. § 3626(a)(5).
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> c.   If part a. is not confirmed, please provide an explanation for why the Postal Service believes its approach is consistent with 39 U.S.C. § 3626(a)(5) as well as its rationale for its change in approach compared to prior years.

2.   In Response of the United States Postal Service to Questions 2-4 of Chairman's Information Request No. 1, June 14, 2021 (Response to CHIR No. 1), Excel file "2021-06-14-Attachment B - R2021-2.xlsx," tab "Passthrough Outside County," the price for Nonmachinable Nonautomation MADC Flats is listed as $0.781 in cell H29 and the price for Nonmachinable Automation MADC Flats is listed as $0.779 in cell D29. The discount of $0.002 is reflected in cell N29. In Response to CHIR No. 1, question 2, the Postal Service states "[t]here are no avoided costs between Nonmachinable Nonautomation MADC Flats and Nonmachinable Automation MADC Flats; therefore there is no discount."

> a.   Please confirm that the new prices create a discount. If confirmed, please revise the prices for Nonmachinable Nonautomation MADC Flats and

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[2] Docket No. R2021-1, United States Postal Service Notice of Market-Dominant Price Change, October 9, 2020, at 35; Docket No. R2020-1, United States Postal Service Notice of Market-Dominant Price Change, October 9, 2019, at 36; Docket No. R2019-1, United States Postal Service Notice of Market-Dominant Price Change, October 10, 2018, at 30; Docket No. R2018-1, Notice of Market Dominant Price Adjustment, October 6, 2017, at 32.

Nonmachinable Automation MADC Flats to reflect the $0.000 avoided cost.

b. If part a. is not confirmed, please explain.

Special Services

3. In the Notice, the Postal Service describes proposed changes to the proration schedule for certain Address Management Services (*i.e.,* Delivery Point Validation (DPV), Delivery Sequence File (DSF^2), Locatable Address Conversion System (LACS^{Link}), and National Change of Address (NCOA^{Link})). Notice at 28. Specifically, the Postal Service proposes to shift from a monthly to quarterly proration schedule for new licensees. *Id.* Please provide the Postal Service's rationale for this change.

By the Chairman.

Michael Kubayanda